

Color Ratings



**RED and
YELLOW**

Mr Howard Marks
ASC/SYG (PK)
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Current Color Definitions

- **Red** - Fails to meet specified minimum performance or capability requirements. Proposals with an unacceptable rating are not awardable.
- **Yellow** - Does not clearly meet some specified minimum performance or capability requirements necessary for acceptable contract performance, but any proposal inadequacies are correctable.

Issue - Yellow and Red Ratings

Both Red & Yellow state the proposal does not meet one or more minimum performance or capability requirements

- What is the distinction between:
“fails to meet” (Red); and,
“does not clearly meet” (Yellow)?

Issue - Yellow Rating

- **Yellow** ratings are expected to change to **red** or **green** after discussions
- Works well if you go to discussions, but what about the IEB followed by award w/o discussions?
 - May not know the magnitude of the “does not clearly meet”
 - May not know if the problem is lack of information or lack of capability

Issue - Yellow Rating

The current **Yellow** definition requires the team to determine if an inadequacy is or is not correctable

- The team should determine that an inadequacy may be reasonably correctable
 - Recognize that a judgment is required based on less than complete data
 - Should consider significance of the correction
 - Will the correction take a reasonable amount of time and other resources? Technically feasible?
 - Should a reasonableness test be applied?
- The current **Yellow** definition doesn't address when correction of inadequacies could occur
 - **Yellow** inadequacies may be corrected by proposal revisions or during contract performance
- Current definition silent on awardability
 - **Yellow** proposals may be awardable

Summary

- **Red** and **Yellow** definitions lack clarity and a logical distinction between one another
 - **Red:**
 - Fails to meet...
 - ...are not awardable.
 - **Yellow**
 - Does not clearly meet...
 - ...inadequacies are correctable
- Not sure the purpose of **Yellow** is clear in the AFFARS
 - Too much interpretation required?
- Situation may constitute a process weakness that could result in GAO protest vulnerability

Recommendation

Revise the AFFARS definitions to read as follows:

- **Red** - (No Change) Fails to meet specified minimum performance or capability requirements. Proposals with a red rating are not awardable.
- **Yellow** - Cannot determine if a minimum performance or capability requirement has been met, but any proposal inadequacy may be reasonably correctable through a proposal revision or during contract performance. Proposals with a yellow